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MEMORANDUM OF CONVERSATION

SUBJECT: Libya.

PLACE: Office of the Libyan Prime Minister

PARTICIPANTS:

United States	Libya
The Honorable John Foster Dulles, Secretary of State.	Mahmoud Muntasser, Prime Minister and Minister of Foreign Affairs.
Mr. Harold Stassen, Director of Mutual Security Agency.	Sayyed Suleiman Jerbi, Libyan Under Secretary of State for Foreign Affairs.
Mr. Henry S. Villard, Minister to Libya.	
Mr. Dayton S. Mak, Political Officer, American Legation.	
Mr. Mirwan Afifi, Arab Secretary, American Legation.	

The Libyan Prime Minister opened the discussion by welcoming the Secretary and his party to Libya. He then presented the Libyan Government's views on matters of political importance to Libya, which was followed by a statement of Libya's need for economic (financial) assistance. The Prime Minister's comments on political matters are embodied in the memorandum which he gave to the Secretary during the course of the meeting.

The Prime Minister stated that he is hopeful that the United States financial contribution to Libya will be increased, pointing out that Libya is extremely poor and in great need of foreign assistance. Libya, he added, is an infant of the United Nations and consequently a child of the United States as well. The Prime Minister stated that Libya has a five million pound annual deficit which he hopes Britain and the United States, through mutual agreement, will cover. He pointed out that it will be seen from the budget figures, which are included in a memorandum given by the Prime Minister to Secretary Dulles, that the Libyan budget is primarily for "care and maintenance" and is not filled with items of extravagance and non-essentials. For example, Cyrenaica had practically no water and no electric power. It was necessary, of course, to remedy

this,

this, and in Tripolitania there are many things which must be done to improve living conditions.

It is essential, the Prime Minister stated, that Libya raise the standard of living of its people and create an economy that will not only provide for the needs of the populace but will provide a bit more than the bare necessities of life. Last year, he pointed out, Cyrenaica suffered from a severe famine due to lack of rainfall. This year Tripolitania, particularly in the interior, received insufficient rainfall and will be threatened by a similar famine.

The Prime Minister then switched to the subject of Communism in Libya. Tripolitania, he pointed out, unlike Cyrenaica, has a considerable foreign population and there is a constant threat of Communist propaganda and activity. Tunis is the primary source of such propaganda. The Libyan Government has been well aware of the Communist threat and found it necessary to deport a number of Italian Communists. Libya, however, has been able to confine Communist activities in the country. The best way, however, to combat Communist propaganda is to improve the standard of living of the Libyan people and eliminate hunger. To do this, Libya requires the assistance of the United States. One of the main features of United States policy is to raise the standard of living of the peoples of the world. No country has greater need for raising the standard of living of its people than Libya.

Libya, the Prime Minister said, is very sincere in its desire to cooperate closely with the United States Government. Libya needs the cooperation and assistance of the United States even more than the United States needs the cooperation of Libya. Although you may hear rumors to the effect that Libya does not want to conclude an agreement (military) with the United States, he said, I tell you now emphatically that this is not true. On the contrary, he added, it is the desire of the Libyan Government and the Libyan people not only to conclude an agreement with the United States but also to conclude such an agreement as quickly as possible.

The Prime Minister concluded his remarks by expressing his great appreciation for the assistance and cooperation he has received from Minister Villard and his staff, and Colonel Anthis (Commanding Officer of Wheelus Field) and his staff. He again thanked Secretary Dulles for including Libya in his Middle East tour.

Secretary Dulles thanked the Prime Minister for his comments and expressed his great satisfaction for being able to include Libya in his tour of the Middle East. He added that President Eisenhower is likewise gratified that the Secretary's visit to Libya and the other countries of the Middle East was possible. This is evidence of the

great

great importance that President Eisenhower places on the Middle East. At this point the Prime Minister interrupted to express the great respect and high regard of the Libyan people for President Eisenhower and his administration and he wished them the best of success.

The Secretary then expressed his great appreciation for the Libyan Government's kind gesture in giving a piece of land upon which will be built a United States Legation building. The Prime Minister replied that the Libyan Government is very pleased to present this small gift to the American Government and he hoped to see Minister Villard soon living in the residence which is to be erected on the site. The Secretary then said he was happy that the Prime Minister appreciated the qualities of Minister Villard and pointed out that although Mr. Villard has on numerous occasions told the Libyans "No" to certain requests, this should not be taken as evidence of any lack of sympathy or understanding on his part of Libya's problems or needs. Minister Villard, it should be remembered, is doing so on direct instructions from the United States Government, which can, at times, be rather hard-hearted.

The Secretary then referred to the Prime Minister's statements regarding Libya's need for additional financial assistance from the United States and pointed out that the United States itself is having financial difficulties of its own. The people of the United States, he added, are paying possibly the highest taxes in the world, and the United States Government's budget is out of balance by a considerable amount. The American people hope and expect the new administration to reduce taxes and balance the budget. Already it is certain that the United States Government's budget will be severely cut. The budget of the Department of State alone, will be cut approximately 10%. It is certain that Congress will examine carefully the United States foreign aid program. At the same time, the Secretary added, the United States will always want to deal fairly with her friends, of whom Libya is considered as one. The Secretary stated that the Prime Minister can be assured that the United States Government will examine carefully the contents of the two memoranda (political and economic) as well as the Libyan Government's suggestions for revision of the United States Base Rights Agreement. He added that he, himself, did not come to Libya to negotiate the base agreement or any other agreement, but he assured the Prime Minister that those responsible for the negotiations will give their fair and prompt consideration. The Prime Minister then interrupted to say that the Libyans will do likewise. The Secretary stated that he accepted the Prime Minister's assurance that the Libyans desire an agreement with the United States. The Prime Minister interrupted to say "and very quickly".

The Secretary agreed that the United States needs Libya and that Libya needs the United States and the benefits which accrue to Libya as

a result

a result of the presence of the Americans. He added that formerly it was believed in every agreement between two parties, one would gain and one would lose. This is a bad principle and is neither true nor necessary. An agreement must be a mutually satisfactory arrangement. The Secretary said that undoubtedly the Prime Minister was aware that aside from the amount of direct economic aid, Libya benefits considerably from the expenditures of the United States forces here and is provided with considerable foreign exchange in this manner. With regard to Libya's becoming a bridge between the West and the East, the Secretary stated, it is fortunate that there is such a country in the Middle East as Libya, whose leaders appreciate both the views of the East and the West.

The Secretary then pointed out that his visit is the first such visit of an American Secretary of State to the Middle East and it is evidence of President Eisenhower's realization of the importance of that area. He added that the situation in the Middle East is full of problems and even dangers. He suggested that all persons of authority in the Middle East must use their influence to prevent any conflagration over such issues as the UK-Egyptian dispute over the Suez Canal Zone.

The Secretary then presented a letter from President Eisenhower addressed to King Idris I, after which he thanked the Prime Minister for the kind reception given him and his party by the Libyan Government. He pointed out that he and Mrs. Dulles are delighted with Tripoli and wish they could stay longer.

The Prime Minister stated that Libya appreciates the heavy burden on the United States tax payers and the general burden which has fallen on the shoulders of the American people. He added, however, that the amount of money which Libya is asking from the United States is very little in comparison to the other out-lays made by the United States to other countries. Although the sum asked by Libya is little, the United States Government as the donor will benefit greatly by the gift as will the West in general. Libya, he stated, is in the heart of the Mediterranean, and has a coastline of some two thousand kilometers. In case of war Libya can become a door or a dam with respect to the East. It is a bridge to Western North Africa and to the other countries in West Africa. This, however, is from the material point of view. From the moral point of view - if the Libyans have a good standard of living they will help create stability in the world, which is essential at this time.

Attachments:

Note submitted to the
Secretary of State by Essayed Mahmoud
Muntasser, Prime Minister and Minister
for Foreign Affairs of Libya.

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Note submitted to Mr. Foster Dulles, American Secretary of State, by Essayed Mahmoud Montasser, Prime Minister and Minister for Foreign Affairs.

* * * * * * * * * * * * * *

It gives me great pleasure to welcome you and your companions here in Libya, and I must thank you for allotting to this country a part of the time at your disposal during your visit to the countries of the Middle East. I hope that your stay amongst us, short though it is, will give you an opportunity of discovering the Libyan appreciation of the great task in international affairs borne by the United States of America and the admiration of the effort made by your country to create a world founded on liberty, social justice and sound economics. Your visit to the Middle East is clear evidence of the importance attached to this part of the world by President Eisenhower's administration; and in truth the Middle East deserves to be given such importance for it falls at a central point between two worlds different in mentality and outlook. It is therefore to the interest of the free world that the Middle East should be stable in order to mobilise its efforts and defend the peace-loving nations from any threatening danger. It is truly painful that it cannot be said that the Middle East is now in a stable condition. The reasons for this are a mixture and political, economic and social factors; but to my mind there is an important psychological factor which should be taken into account. The people of the Middle East, Arabs and otherwise, feel that they are the victims of the West, the West which, in the past, had colonised them in a direct way and now, some people think, attempts to use them indirectly in its political and military designs and milk the last of what remained of the region's economic resources. It is axiomatic that there is no hope of stability while this feeling continues to exist. The West should create an atmosphere of confidence which would pave the way to the emergence of sincere and fruitful cooperation between the West and the Middle East. I am sure that the only great Western Power which, with success, can undertake the responsibility of creating this atmosphere of confidence and dispelling the doubt that is felt in the Middle East of Western intention is the United States of America. And it is a source of pleasure to feel that, in its efforts to serve the cause of international peace, the United States is appreciating the difficulties of this region and is taking active steps to bring to it the required stability. There is, however,

much

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much awaiting to be done to fill this dangerous gap in a very sensitive corner of the World. Your visit may start an era of new policy based on confidence in preparation for the creation of political, economic and social cooperation between the countries of the Middle East and the West in an atmosphere of stability and justice in order to establish in that part of the world a bloc capable of undertaking the duties demanded by world peace and democratic principles.

Libya is an Arab country affected by all that happens in the Arab World. This is, of course, natural because of the unity of religion, language and traditions existing between the Libyans and the Arabs of the Middle East. At the same time Libyans appreciate the interest taken by the Western Powers in their country which occupies an excellent geographical position between East and West in the centre of the Mediterranean which today, as in the past, has come to be the centre of gravity of the world. Libya is thus doubly connected: on the one hand it is connected with the Arab countries of the Middle East by bonds of religion, language and national interests, and, on the other, it is connected with the West in the cause of World peace by bonds of strategical interests. This double aspect of the position of Libya makes it anxious to see the establishment of common understanding between the Western Powers and the countries of the Middle East on the basis I have referred to previously. Not only that, but this position entitles Libya to be an instrument of moderation between the two.

The evidence of Libya's appreciation of Western obligation towards the free world began on the very day of independence when the Libyan Government signed temporary agreements with the United States, Britain and France to pave the way for the conclusion of permanent agreements. It was necessary that those agreements should be temporary in order to give the Libyan Government an opportunity to study the final agreements to make them acceptable to Parliament in the belief that any agreement entered into by the Government is bound to fail if it does not receive the support of the nation. We believe that it is not sufficient for the efficient execution of a policy that the Government should be convinced. It should also be approved by the people. Otherwise a mood of unrest would spread in the country and a state of instability would be created.

Now, Mr. Secretary, permit me to talk about the American Agreement in particular.

Before

Before the declaration of Libyan independence the then American Consul General, Mr. Andrew Lynch, asked the Provisional Libyan Government to start negotiations for the conclusion of a military agreement between Libya and the United States. The Provisional Libyan Government begged to postpone the matter until after the declaration of independence and the formation of a constitutional government. However, the American Government insisted and, in the end, negotiations between the two parties were hurridly started because of shortage of time, and the agreement was signed by me on the Declaration of Independence Day, on behalf of the Libyan Government. I was especially concerned to exchange two notes with Mr. Lynch to establish that the agreement was temporary. I intended through that measure to leave the Libyan Government free to reconsider the provisions of the agreement, if necessary, before submission to Parliament and ratification, because the Government was not, on Independence Day, in a position which enabled it to foresee what kind of reception the representatives of the nation would accord to the Agreement.

When the Government finished such preliminary matters as necessitated by the declaration of independence it reviewed the provisions of the Agreement and found that there were two points which were difficult to accept: the duration of the Agreement and the sum allocated to Libyan assistance. I communicated to Mr. Villard the point of view of the Libyan Government and asked him to convey it to Washington with the request that these two points should be reconsidered. However, Washington declined. In the meantime, I started surveying the views of the prominent Members of Parliament and found that, although they accepted the Agreement in principle, there were other points to which they objected. It also happened that the French and British Governments submitted draft military agreements which were very similar to the American draft. This would mean that if Parliament approved the American Agreement, which was a remote possibility, it would have also to approve the British and French Agreements. The Government was thus forced to submit to the three Governments a new bases for discussion and asked the said Governments to look into their draft Agreements in the light of these suggestions.

Again, Washington refused, to the great regret of the Libyan Government for it showed that Washington was not prepared to understand the difficulties facing the Libyan Government. Apparently the refusal was based on formal objections. It was difficult for the appropriate authorities in Washington to see the way to the reconsideration of an agreement which had already been signed. Here, I

should

should say that it is true that the Agreement was signed but there were the two Notes exchanged for the specific purpose of making the Agreement a temporary Agreement, and, in the view of the Libyan Government, "temporary" means the possibility of reconsideration and not that it is merely interim between signature on the one hand and approval and ratification on the other. It need hardly be said that every agreement is temporary until ratification if the Constitution, as the Libyan Constitution does, requires such ratification. And the Libyan Government not intended to reserve to itself the right to reconsider the Agreement, if necessary, and that has come to pass, it would not have insisted on the exchange of two Notes which, normally, are not necessary.

As evidence of the goodwill of the Libyan Government, and I am happy to say it, the Libyan Government continues and still continues to give to Wheelus Field, where practicable, all the privileges and facilities provided for by the Agreement, and I am happy to say that the relations between the Field's authorities and the Government have been and still are founded on sincere friendship and mutual understanding.

I am glad to say that there is cause for optimism. Mr. Villard conveyed to me that Washington was prepared to consider, without being bound in advance, any amendments the Libyan Government would suggest. An increase in the sum of assistance to Libya has been accepted in principle. As a matter of fact two days ago I handed Mr. Villard the amendments suggested by the Libyan Government. It should be mentioned that the suggested amendments do not on the whole affect the substance of the Agreement, and do not in any way hamper the activities of the American Air Force in Libya. They, however, strengthen the position of the Libyan Government in the face of public opinion. I would like especially to mention an important point: the increase in the amount allocated for Libyan assistance. The Libyan Government thinks that such increase is greatly needed by Libya because of the lack of funds necessary to raise the standard of the Libyan people economically, culturally and hygenically. Whatever increase the American Government may give the sum thus increased would not be anything compared with what is allocated to other countries. The Libyan Government also thinks that the sum should be considered to be due as from the Declaration of Independence, 24th December 1951, since Wheelus Field Base has, as I said previously, enjoyed from that date, all privileges and facilities provided for by the Agreement.

I hope that this time Your Excellency will give this question a positive consideration. If the American Government accepts, and we

hope

hope it will accept, the Libyan proposals it would preserve the dignity of Libya as an independent state and would contribute in the raising of the standard of the Libyan nation which suffered greatly through lengthy wars and many of whose cities have been destroyed. It would also play its part in preventing the feeling of discontent from spreading to this country, a feeling dominant in the Middle East, as I said earlier, and would also prevent this country from becoming a fertile field for the growth of Communist doctrines which had found their way to a certain class of the population and, fortunately, controlled and checked by the Government and limited within the narrowest circle. We do not want the Libyans to feel that even after independence they are still being treated unjustly. On the contrary we want them to understand by themselves and in a tangible way that it is their duty to participate in the cause of peace and justice on the basis of mutual interest with the Western Powers.

I would like to take this opportunity and express once more our gratitude to the United States for its friendly and sympathetic attitude towards Libya, and assure you of the friendship felt by the Libyan people to the Americans and their deep appreciation of the efforts made by the American nation to the benefit of humanity, freedom and peace in the World. And I consider your visit an assurance of the friendly relations subsisting between our two countries and the beginning of even closer cooperation between them.

I would also like to take this opportunity to thank Mr. Villard and members of the American Legation, Colonel Anton and the personnel at Wheelus Field for the spirit of friendly understanding and good cooperation which they show.

Lastly, I beg you to convey to President Eisenhower the best wishes of the Libyan Government and people and the admiration we all feel for him from the day when the news came of his appearance in North Africa heralding the approach of the delivery of the Libyan nation.

Mr. Secretary

I beg you to accept our best wishes for the happiness of your person and prosperity of the American people and I thank you for your interested listening.